



This form is to be used in conjunction with a rule review when ancillary documents are also being reviewed as part of the review process.

Ancillary documents are interpretive or policy statements that advise the public of the Department's opinions, approaches, or likely course of action. They include documents such as Excise Tax Advisories (ETAs), Property Tax Bulletins (PTBs), and Revenue Policy Memorandums (RPMs). Ancillary documents do not have the "force of law" that a rule is given under the Administrative Procedures Act (Chapter 34.05 RCW). Court decisions, Board of Tax Appeals decisions (BTA), and Washington Tax Decisions (WTDs) **are not** ancillary documents.

Reviewer: JoAnne Gordon Date Reviewed: December 4, 2001

Ancillary Document being reviewed (provide number and title): ETA 158.08.211
Deduction of finance charges from lease payments

Date last Issued: August 19, 1966

This document is being reviewed in conjunction with (provide WAC number and title): WAC 458-20-211
Leases or rentals of tangible personal property, bailment

Purpose of the document: ETA 158 explains that finance charges are considered part of the selling price of tangible personal property leased with an option to buy. As part of the selling price, finance charges are subject to retail sales tax.

Is the document clearly written?

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>

Does the document provide accurate and useful information?

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>

Does the document provide information not currently in the rule?

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>



Review recommendation:

- A. Update
- B. Repeal
- C. Leave as is
- D. Incorporate into rule and repeal

X

Briefly explain your recommendation:

While the information contained in this ETA is correct, it does not clearly indicate that the lease at issue is a true lease rather than a financing lease. Other documents, such as WAC 458-20-211 (Leases or rentals of tangible personal property, bailment), 458-20-109 (Finance charges, carrying charges, interest, penalties), and 458-20-198 (Conditional and installment sales) discuss how tax applies to amounts designated as “interest” for both true and financing leases.

Manager Action:

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Accepted recommendation

Date: _____

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Returned for further review

Date: _____

Comments
